

COMPARISON OF PERTINENT PROVISIONS OF THE
CIVIL SERVICE AND CIA RETIREMENT AND
DISABILITY SYSTEMS

ITEMS	CIVIL SERVICE RETIREMENT SYSTEM (CSR)	CIA RETIREMENT SYSTEM (CIAR)	COMMENTS
A. Coverage	Government employees generally, unless temporary, intermittent or subject to another retirement system.	Career personnel who are designated as participants in accordance with criteria established by the Director.	
B. Contributions			
1. Compulsory	6½% of employee's basic salary. Agency contribution of 6½% of employee's basic salary.	Same	
2. Voluntary	Maximum 10% of total basic salary received since 1 August 1920. Payable in multiples of \$25.	Maximum 10% of total basic salary. Payable in multiples of 1% of basic salary.	
C. Types of Retirement			
1. Voluntary or optional	Without reduction - Age 60 with 30 years of service, or Age 62 with 5 years of service. With reduction - Age 55 with 30 years of service.	Age 50 with 20 years of service including 10 years of CIA service of which 5 years is qualifying.	CIAR permits voluntary retirement without reduction in annuity 10 years earlier than CSR.
2. Disability	After 5 years of civilian service: Same as full age and service benefit. Guaranteed minimum of (1) 40% of high-5 average salary or (2) annuity projected to age 60, whichever is lesser. Elective survivor benefits are based on employee's actual years of creditable service. Tax exemption: Under the Federal Income Tax "Sick Pay" exclusion, up to \$100 per week of disability annuity is exempt until normal optional retirement age.	Same Same	
3. Mandatory age	Age 70 with 15 years of service	GS-18 and above: Age 65 with 5 years of service. GS-17 and below: Age 60 with 5 years of service.	
4. Involuntary or discontinued service.	Any age with 25 years service with earned annuity reduced proportionately for years under age 60. Age 50 with 20 years of service with earned annuity reduced 15%. Involuntarily separated (not for cause).	Any age with 25 years of service or age 50 with 20 years of service providing 10 years, including 5 years of qualifying service, has been with CIA.	CIAR has <u>no</u> reduction in earned annuity.
5. Deferred annuity	Payable at age 62 to separated employees whose contributions remain in the retirement fund with at least 5 years of civilian service credit.	Payable at age 62 to separated employees whose contributions remain in the retirement fund with at least 5 years of CIA civilian service credit.	CIAR requires 5 years of CIA service.
D. Benefits:			
1. Annuitants	Annuity - 1½% high-5 years average salary times 5 years. Plus 1 3/4% times next 5 years. Plus 2% times all years over 10 years of creditable service. Annuity may not exceed 80% of high-5 average salary.	Annuity - 2% high-5 average salary times total number years creditable service not to exceed 35 years. Annuity may not exceed 70% of high-5 average salary.	CIAR annuity is 3.75% of the high-5 average salary <u>more</u> than annuity computed under the CSR formula.

2. Penalty reduction for age	Except for disability retirement, $\frac{1}{2}$ of 1% for each of the first 60 months under age 60 and $\frac{1}{6}$ for each additional month over 60 months under age 60.	None	Under CSR there is a substantial reduction in annuity for years under age 60, 15% when retiring at age 50. There is no reduction under CIAR.
3. Reduced annuities	Reduced annuity provides benefits to widow or widower. (Benefits to each dependent child are provided without reduction in annuity).	Same	
4. Survivor annuities:			
(a) married participants	Basic general formula: Widow or widower (if survivor annuity elected by retiring employee): 55% of all or whatever portion of earned annuity specified as base. Annuity terminates on death or remarriage.	Same	
	Reduction for survivor annuity: Employee's annuity reduced by $2\frac{1}{2}\%$ of 1st \$3,600 of any amount specified as base for survivor benefits plus 10% of the amount over \$3,600 up to the full amount of employee's annuity.	Same	
	Children: With a survivor wife or husband each child receives smallest of (1) 40% of average salary divided by number of children; (2) \$600; or (3) \$1,800 divided by number of children.	Same	
	With no surviving wife or husband, each child receives smallest of (1) 50% of average salary divided by number of children; (2) \$720; or (3) \$2,160 divided by number of children.	Same	
	Termination annuity: Child's annuity terminates at age 18 (or on recovery from incapacity after 18), marriage, or death. Annuity of child if unmarried and full-time student continues until age 21. On termination of annuity by death of widow, widower, or child, annuities of surviving children are recomputed as though such widow, widower or child had never existed.	Same	
(b) unmarried participant	Any person in whom annuitant has insurable interest (if survivorship and reduced annuity elected): 55% of participant's reduced annuity. Retiring employee's annuity is reduced 10 to 40% depending on difference between his age and age of person designated to receive survivor annuity. Survivor annuity terminates on death of survivor.	Same	
5. Death in Service:			
(a) widow or dependent widower	55% of deceased employee's earned annuity payable until death or remarriage or until widower becomes capable of self-support.	Same	
(b) Surviving children	Same annuities as those afforded child- ren of deceased annuitant.	Same	

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E. Disposition of Contributions	If contributions of deceased employee or retired employee are not returned in the form of annuity to himself or survivor(s), the unreturned portion must be paid to a designated beneficiary; or in order of precedence to widow or widower, children, parents, etc. Contributions plus interest of deceased separated employee are likewise payable to beneficiary or heirs.	Same	
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